



INSPECTOR GENERAL REPORT

2005-09-0436

March 29, 2007

MECCA

Inspector General David O. Thomas, after an investigation by FSSA Compliance Division Investigators and OIG Special Agents, and the assistance of OIG Staff Attorney Amanda Schaeffer, reports as follows:

This investigation involved fraudulent training statements being submitted for billing to the Family and Social Services Administration (FSSA) by a private contractor in Lake County, Indiana.

I.

In September of 2005, the Office of the Inspector General (OIG) was contacted by FSSA investigator Chris Stanton with regard to an ongoing FSSA investigation. The investigation centered on an IMPACT (Indiana Manpower and Comprehensive Training) provider who had contracted with FSSA to provide IMPACT training to clients who were referred to him through FSSA. IMPACT training is designed to provide job skills to recipients of public assistance. An IMPACT provider bills FSSA based on the number of training hours provided to clients and FSSA pays the IMPACT provider based on that billing.

FSSA and OIG investigators discovered that between October of 2002 and December of 2003, in Gary, Indiana, a person named Yahya Rasheed was doing business as MECCA Community Development Corporation and had a contract with the State of Indiana to be a service provider for the IMPACT program. Interviews were conducted with 16 of the 19 welfare recipients who had been referred by FSSA to MECCA for training. The remaining three individuals were deceased or unavailable. None of the welfare recipients interviewed attended classroom instruction as described in the FSSA contract. Two stated the documents submitted as theirs were not in their handwriting. One student stated she had never heard of the program and had only been to the MECCA building once to obtain a fan for the summer heat wave and at that time had to provide her name and social security number.

None of the clients interviewed had actually received any IMPACT training. At most, the clients took home homework and filled it out on their own, returning the homework later in the week. It was estimated by one client that this was about an hour's worth of work a week.

Rasheed billed the state for each of these 19 people 20 times for six hours of training, five days a week, for eight weeks.

Over the period of the FSSA contract, Rasheed was paid \$40,000 in FSSA IMPACT funds for services he claimed to have provided but did not.

II.

The OIG asserts jurisdiction over this case under IC 4-2-7-2, in which the OIG is responsible for addressing fraud, waste, abuse and wrongdoing involving state agencies.

III.

This investigation was submitted to the Lake County Prosecutor's Office in April of 2006. Criminal charges of welfare fraud, a class C felony, and theft, a class D felony, were filed against Rasheed in February of 2007.

Dated this 29th day of March, 2007.

A handwritten signature in black ink, appearing to read "David O. Thomas", written in a cursive style.

David O. Thomas, Inspector General